

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

PURCHASED GAS ADJUSTMENT)
OF PHELPS GAS COMPANY, INC.) CASE NO. 5743-P

O R D E R

On December 20, 1972, the Commission issued its Order in Case No. 5743, approving certain rates and providing under certain conditions for the further adjustment of such rates when the wholesale cost of gas is increased or decreased.

On April 6, 1981, Phelps Gas Company, Inc., ("Applicant") notified the Commission that its wholesale cost of gas would be increased by its supplier, Columbia Gas of Kentucky, Inc., ("Columbia") effective September 1, 1981, and submitted with its notice certain information in compliance with this Commission's Order of December 20, 1972. The notice set out certain revisions in rates which the Applicant proposed to place in effect with gas supplied on and after September 1, 1981, said rates being designed to recover the increase cost of natural gas of its supplier in the amount of \$25,695.49.

After reviewing this evidence of record and being advised, the Commission is of the opinion and finds that:

(1) The Applicant's supplier has filed increased rates

and said rates will become effective on and after September 1, 1981.

(2) The Applicant's notice of August 24, 1981, failed to provide the 20 days notice as required by statute and, therefore, the rates should become effective for service rendered on and after September 13, 1981.

(3) The adjusted rates under the Purchased Gas Adjustment Clause approved by the Commission in its Order in Case No. 5743, dated December 20, 1972, as set out herein are fair, just, and reasonable and in the public interest and should be allowed to be effective with gas supplied on and after September 13, 1981.

IT IS THEREFORE ORDERED that the rates including the proposed Purchased Gas Adjustment be and the same are hereby approved to be effective with gas supplied on and after September 13, 1981, as set out in Appendix A attached hereto and made a part hereof.

IT IS FURTHER ORDERED that for the purpose of the future application of the Purchased Gas Adjustment Clause of the Applicant the base rate for purchased gas shall be:

	<u>Commodity</u>
Columbia Gas of Kentucky, Inc.	\$4.139 per Mcf

IT IS FURTHER ORDERED that the information furnished this Commission by the Applicant on August 24, 1981, constitutes full compliance with the Commission's Order in Case No. 5743 and any other information ordinarily required to be filed under the Commission's Rules is hereby waived.

IT IS FURTHER ORDERED that within 30 days after the date of this Order, the Applicant shall file with this Commission its revised tariff sheets setting out the rates approved herein.

Done at Frankfort, Kentucky, this 17th day of September, 1981.

PUBLIC SERVICE COMMISSION

Marlin M. Voss

For the Commission

ATTEST:

Secretary

APPENDIX A

APPENDIX TO AN ORDER OF THE PUBLIC SERVICE
COMMISSION IN CASE NO. 5743-P DATED
SEPTEMBER 17, 1981

The following rates and charges are prescribed for the customers in the area served by Phelps Gas Company, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the date of this Order.

<u>RATES:</u>	Monthly	
First	1 MCF	\$7.041 Minimum Bill
Next	49 MCF	4.786 per MCF
All Over	50 MCF	4.636 per MCF